
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark One)

- ☒ Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended **September 30, 2015**

or

- ☐ Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____
Commission file number 1-6368

Ford Motor Credit Company LLC
(Exact name of registrant as specified in its charter)

Delaware
(State of organization)
One American Road, Dearborn, Michigan
(Address of principal executive offices)

38-1612444
(I.R.S. employer identification no.)
48126
(Zip code)

(313) 322-3000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒ Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
☐ Yes ☒ No

All of the limited liability company interests in the registrant ("Shares") are held by an affiliate of the registrant. None of the Shares are publicly traded.

REDUCED DISCLOSURE FORMAT

The registrant meets the conditions set forth in General Instruction H(1)(a) and (b) of Form 10-Q and is therefore filing this Form with the reduced disclosure format.

FORD MOTOR CREDIT COMPANY LLC
QUARTERLY REPORT ON FORM 10-Q
For the Quarter Ended September 30, 2015

	Table of Contents	Page
	Part I. Financial Information	
<u>Item 1</u>	<u>Financial Statements</u>	<u>1</u>
	<u>Consolidated Income Statement</u>	<u>1</u>
	<u>Consolidated Statement of Comprehensive Income</u>	<u>1</u>
	<u>Consolidated Balance Sheet</u>	<u>2</u>
	<u>Consolidated Statement of Shareholder's Interest</u>	<u>3</u>
	<u>Consolidated Statement of Cash Flows</u>	<u>4</u>
	<u>Notes to the Financial Statements</u>	<u>5</u>
	<u>Report of Independent Registered Public Accounting Firm</u>	<u>24</u>
<u>Item 2</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>25</u>
	<u>Results of Operations</u>	<u>25</u>
	<u>Contract Placement Volume and Financing Share</u>	<u>28</u>
	<u>Financial Condition</u>	<u>29</u>
	<u>Credit Risk</u>	<u>30</u>
	<u>Residual Risk</u>	<u>33</u>
	<u>Credit Ratings</u>	<u>34</u>
	<u>Funding and Liquidity</u>	<u>35</u>
	<u>Leverage</u>	<u>39</u>
	<u>Outlook</u>	<u>39</u>
	<u>Risk Factors</u>	<u>40</u>
	<u>Accounting Standards Issued But Not Yet Adopted</u>	<u>41</u>
	<u>Other Financial Information</u>	<u>41</u>
<u>Item 3</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>41</u>
<u>Item 4</u>	<u>Controls and Procedures</u>	<u>41</u>
	Part II. Other Information	
<u>Item 1</u>	<u>Legal Proceedings</u>	<u>42</u>
<u>Item 5</u>	<u>Other Information</u>	<u>42</u>
<u>Item 6</u>	<u>Exhibits</u>	<u>42</u>
	<u>Signature</u>	<u>43</u>
	<u>Exhibit Index</u>	<u>44</u>

PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES CONSOLIDATED INCOME STATEMENT (in millions)

	For the periods ended September 30,			
	2015	2014	2015	2014
	Third Quarter		First Nine Months	
	(unaudited)			
Financing revenue				
Operating leases	\$ 1,256	\$ 1,062	\$ 3,560	\$ 3,029
Retail financing	717	708	2,087	2,095
Dealer financing	383	424	1,131	1,241
Other	12	20	44	62
Total financing revenue	2,368	2,214	6,822	6,427
Depreciation on vehicles subject to operating leases	(956)	(801)	(2,630)	(2,248)
Interest expense	(582)	(663)	(1,819)	(2,002)
Net financing margin	830	750	2,373	2,177
Other revenue				
Insurance premiums earned	32	31	97	94
Other income, net (Note 11)	78	67	179	184
Total financing margin and other revenue	940	848	2,649	2,455
Expenses				
Operating expenses	279	276	820	807
Provision for credit losses (Note 4)	100	57	239	115
Insurance expenses	20	17	60	102
Total expenses	399	350	1,119	1,024
Income before income taxes	541	498	1,530	1,431
Provision for/(Benefit from) income taxes	176	(220)	519	137
Net income	<u>\$ 365</u>	<u>\$ 718</u>	<u>\$ 1,011</u>	<u>\$ 1,294</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (in millions)

	For the periods ended September 30,			
	2015	2014	2015	2014
	Third Quarter		First Nine Months	
	(unaudited)			
Net income	\$ 365	\$ 718	\$ 1,011	\$ 1,294
Other comprehensive income/(loss), net of tax (Note 10)				
Foreign currency translation	(275)	(335)	(561)	(332)
Total other comprehensive income/(loss), net of tax	(275)	(335)	(561)	(332)
Comprehensive income/(loss)	90	383	450	962
Less: Comprehensive income/(loss) attributable to noncontrolling interests	—	—	1	—
Comprehensive income/(loss) attributable to Ford Motor Credit Company	<u>\$ 90</u>	<u>\$ 383</u>	<u>\$ 449</u>	<u>\$ 962</u>

The accompanying notes are part of the financial statements.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(in millions)

	September 30, 2015	December 31, 2014
	(unaudited)	
ASSETS		
Cash and cash equivalents	\$ 6,913	\$ 6,179
Marketable securities	2,757	3,258
Finance receivables, net (Note 2)	92,680	86,915
Net investment in operating leases (Note 3)	24,510	21,518
Notes and accounts receivable from affiliated companies	968	778
Derivative financial instruments (Note 7)	1,168	859
Other assets (Note 8)	2,494	2,601
Total assets	\$ 131,490	\$ 122,108
LIABILITIES		
Accounts payable		
Customer deposits, dealer reserves, and other	\$ 1,290	\$ 1,148
Affiliated companies	539	330
Total accounts payable	1,829	1,478
Debt (Note 9)	113,309	105,037
Deferred income taxes	2,662	1,849
Derivative financial instruments (Note 7)	280	167
Other liabilities and deferred income (Note 8)	1,649	2,210
Total liabilities	119,729	110,741
SHAREHOLDER'S INTEREST		
Shareholder's interest	5,227	5,227
Accumulated other comprehensive income (Note 10)	(402)	160
Retained earnings	6,935	5,980
Total shareholder's interest attributable to Ford Motor Credit Company	11,760	11,367
Shareholder's interest attributable to noncontrolling interests	1	—
Total shareholder's interest	11,761	11,367
Total liabilities and shareholder's interest	\$ 131,490	\$ 122,108

The following table includes assets to be used to settle the liabilities of the consolidated variable interest entities ("VIEs"). These assets and liabilities are included in the consolidated balance sheet above. See Notes 5 and 6 for additional information on our VIEs.

	September 30, 2015	December 31, 2014
	(unaudited)	
ASSETS		
Cash and cash equivalents	\$ 2,443	\$ 2,094
Finance receivables, net	44,036	39,522
Net investment in operating leases	11,266	9,631
Derivative financial instruments	64	27
LIABILITIES		
Debt	\$ 41,712	\$ 37,156
Derivative financial instruments	30	22

The accompanying notes are part of the financial statements.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF SHAREHOLDER'S INTEREST
(in millions, unaudited)

	<u>Shareholder's Interest Attributable to Ford Motor Credit Company</u>				<u>Shareholder's Interest Attributable to Non-Controlling Interests</u>	<u>Total Shareholder's Interest</u>
	<u>Shareholder's Interest</u>	<u>Accumulated Other Comprehensive Income (Note 10)</u>	<u>Retained Earnings</u>	<u>Total</u>		
Balance at December 31, 2014	\$ 5,227	\$ 160	\$ 5,980	\$ 11,367	\$ —	\$ 11,367
Net income	—	—	1,011	1,011	—	1,011
Other comprehensive income/(loss), net of tax	—	(562)	—	(562)	1	(561)
Distributions to parent	—	—	(56)	(56)	—	(56)
Balance at September 30, 2015	<u>\$ 5,227</u>	<u>\$ (402)</u>	<u>\$ 6,935</u>	<u>\$ 11,760</u>	<u>\$ 1</u>	<u>\$ 11,761</u>
Balance at December 31, 2013	\$ 5,217	\$ 717	\$ 4,670	\$ 10,604	\$ —	\$ 10,604
Net income	—	—	1,294	1,294	—	1,294
Other comprehensive income/(loss), net of tax	—	(332)	—	(332)	—	(332)
Distributions to parent	—	—	(244)	(244)	—	(244)
Balance at September 30, 2014	<u>\$ 5,217</u>	<u>\$ 385</u>	<u>\$ 5,720</u>	<u>\$ 11,322</u>	<u>\$ —</u>	<u>\$ 11,322</u>

The accompanying notes are part of the financial statements.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
(in millions)

	For the periods ended September 30,	
	2015	2014
	First Nine Months	
	(unaudited)	
Cash flows from operating activities		
Net income	\$ 1,011	\$ 1,294
Adjustments to reconcile net income to net cash provided by operations		
Provision for credit losses	239	115
Depreciation and amortization	3,256	2,842
Amortization of upfront interest supplements	(786)	(756)
Net change in deferred income taxes	860	2
Net change in other assets	(280)	222
Net change in other liabilities	(88)	13
All other operating activities	110	43
Net cash provided by/(used in) operating activities	4,322	3,775
Cash flows from investing activities		
Purchases of finance receivables (excluding wholesale and other)	(30,275)	(27,082)
Collections of finance receivables (excluding wholesale and other)	23,745	22,755
Purchases of operating lease vehicles	(10,902)	(9,815)
Liquidations of operating lease vehicles	4,887	4,849
Net change in wholesale receivables and other	(1,521)	(589)
Net change in notes receivable from affiliated companies	(1)	30
Purchases of marketable securities	(7,745)	(10,952)
Proceeds from sales and maturities of marketable securities	8,238	9,092
Settlements of derivatives	116	(161)
All other investing activities	22	54
Net cash provided by/(used in) investing activities	(13,436)	(11,819)
Cash flows from financing activities		
Proceeds from issuances of long-term debt	35,366	30,951
Principal payments on long-term debt	(25,693)	(21,630)
Change in short-term debt, net	634	(2,822)
Cash distributions to parent	(56)	(244)
All other financing activities	(84)	(86)
Net cash provided by/(used in) financing activities	10,167	6,169
Effect of exchange rate changes on cash and cash equivalents	(319)	(220)
Net increase/(decrease) in cash and cash equivalents	\$ 734	\$ (2,095)
Cash and cash equivalents at January 1	\$ 6,179	\$ 9,424
Net increase/(decrease) in cash and cash equivalents	734	(2,095)
Cash and cash equivalents at September 30	\$ 6,913	\$ 7,329

The accompanying notes are part of the financial statements.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

Table of Contents

<u>Footnote</u>	<u>Page</u>
<u>Note 1</u> Accounting Policies	<u>6</u>
<u>Note 2</u> Finance Receivables	<u>8</u>
<u>Note 3</u> Net Investment in Operating Leases	<u>11</u>
<u>Note 4</u> Allowance for Credit Losses	<u>12</u>
<u>Note 5</u> Transfers of Receivables	<u>14</u>
<u>Note 6</u> Variable Interest Entities	<u>15</u>
<u>Note 7</u> Derivative Financial Instruments and Hedging Activities	<u>16</u>
<u>Note 8</u> Other Assets and Other Liabilities and Deferred Income	<u>18</u>
<u>Note 9</u> Debt	<u>19</u>
<u>Note 10</u> Accumulated Other Comprehensive Income	<u>19</u>
<u>Note 11</u> Other Income	<u>20</u>
<u>Note 12</u> Fair Value Measurements	<u>20</u>
<u>Note 13</u> Segment Information	<u>21</u>
<u>Note 14</u> Commitments and Contingencies	<u>22</u>

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America ("GAAP") for interim financial information, and instructions to the Quarterly Report on Form 10-Q and Rule 10-01 of Regulation S-X. In the opinion of management, these unaudited financial statements include all adjustments considered necessary for a fair statement of the results of operations and financial condition for interim periods for Ford Motor Credit Company LLC, its consolidated subsidiaries and consolidated VIEs in which Ford Motor Credit Company LLC is the primary beneficiary (collectively referred to herein as "Ford Credit," "we," "our," or "us"). Results for interim periods should not be considered indicative of results for any other interim period or for the full year. Reference should be made to the financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2014 ("2014 Form 10-K Report"). We are an indirect, wholly owned subsidiary of Ford Motor Company ("Ford").

We reclassified certain prior period amounts in our consolidated financial statements to conform to the presentation in our 2014 Form 10-K Report.

Provision for Income Taxes

For interim tax reporting we estimate one single effective tax rate, which is applied to the year-to-date ordinary income/(loss). Tax effects of significant unusual or extraordinary items are excluded from the estimated annual effective tax rate calculation and recognized in the interim period in which they occur.

During the third quarter of 2014, we completed a study that led to a change in our methodology for measuring currency gains and losses in computing the earnings of our European operations under U.S. tax law. Implementation of the new methodology substantially reduced the accumulated earnings of those operations under U.S. tax law and resulted in a tax benefit of \$364 million in the third quarter of 2014 from the realization of additional foreign tax credits.

Adoption of New Accounting Standards

Accounting Standards Update ("ASU") 2014-11, Transfers and Servicing - Repurchase-to-Maturity Transactions, Repurchase Financings and Disclosures. On January 1, 2015, we adopted the new accounting standard that changes the accounting for repurchase-to-maturity transactions and repurchase financing arrangements. The new standard also requires additional disclosures for certain transfers of financial assets with agreements that both entitle and obligate the transferor to repurchase the transferred assets from the transferee. The adoption of this accounting standard did not impact our financial statements or financial statement disclosures.

Accounting Standards Issued But Not Yet Adopted

ASU 2014-09, Revenue - Revenue from Contracts with Customers. In May 2014, the Financial Accounting Standards Board ("FASB") issued a new accounting standard that requires recognition of revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services. The new standard supersedes virtually all present U.S. GAAP guidance on revenue recognition and requires the use of more estimates and judgments than the present standards, as well as additional disclosures. The FASB issued ASU 2015-14 to defer the original effective date from January 1, 2017 to January 1, 2018, while allowing for early adoption as of January 1, 2017. The new accounting standard is expected to have an impact to our income statement, balance sheet, and financial statement disclosures and we are reviewing our arrangements to evaluate the impact and method of adoption.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. ACCOUNTING POLICIES (Continued)

The FASB also issued the following standards, none of which are expected to have a material impact to our financial statements or financial statement disclosures.

Standard	Effective Date (a)
2015-16 Business Combinations - Simplifying the Accounting for Measurement-Period Adjustments	January 1, 2016
2015-09 Insurance - Disclosures about Short-Duration Contracts	January 1, 2016
2015-07 Fair Value Measurement - Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent)	January 1, 2016
2015-05 Internal-Use Software - Customer's Accounting for Fees Paid in a Cloud Computing Arrangement	January 1, 2016
2015-03 Imputation of Interest - Simplifying the Presentation of Debt Issuance Costs	January 1, 2016
2015-02 Consolidation - Amendments to the Consolidation Analysis	January 1, 2016
2015-01 Extraordinary and Unusual Items - Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items	January 1, 2016
2014-16 Derivatives and Hedging - Determining Whether the Host Contract in a Hybrid Financial Instrument Issued in the Form of a Share Is More Akin to Debt or to Equity	January 1, 2016
2014-13 Consolidation - Measuring the Financial Assets and the Financial Liabilities of a Consolidated Collateralized Financing Entity	January 1, 2016
2014-12 Stock Compensation - Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period	January 1, 2016
2014-15 Going Concern - Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern	December 31, 2016

(a) Early adoption for each of the standards is permitted.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. FINANCE RECEIVABLES

We segment finance receivables into “consumer” and “non-consumer” receivables. The receivables are generally secured by the vehicles, inventory, or other property being financed.

Finance receivables, net were as follows (in millions):

	September 30, 2015	December 31, 2014
Consumer		
Retail financing, gross	\$ 61,241	\$ 55,856
Less: Unearned interest supplements (a)	(2,117)	(1,760)
Consumer finance receivables	59,124	54,096
Non-Consumer		
Dealer financing (b)	32,722	31,875
Other financing	1,190	1,265
Non-Consumer finance receivables	33,912	33,140
Total recorded investment	\$ 93,036	\$ 87,236
Recorded investment in finance receivables	\$ 93,036	\$ 87,236
Less: Allowance for credit losses	(356)	(321)
Finance receivables, net	\$ 92,680	\$ 86,915
Net finance receivables subject to fair value (c)	\$ 90,875	\$ 85,242
Fair value	92,560	86,715

(a) Ford-sponsored special financing programs attributable to retail financing.

(b) At September 30, 2015 and December 31, 2014, includes \$571 million and \$535 million, respectively, of dealer financing receivables with entities (primarily dealers) that are reported as consolidated subsidiaries of Ford. The associated vehicles that are being financed by us are reported as inventory on Ford's balance sheet.

(c) At September 30, 2015 and December 31, 2014, excludes \$1.8 billion and \$1.7 billion, respectively, of certain receivables (primarily direct financing leases) that are not subject to fair value disclosure requirements.

Excluded from finance receivables at September 30, 2015 and December 31, 2014 was \$184 million and \$192 million, respectively, of accrued uncollected interest, which we report in *Other assets* on our balance sheet.

Included in recorded investment in finance receivables at September 30, 2015 and December 31, 2014 were consumer receivables of \$27.7 billion and \$24.4 billion, respectively, and non-consumer receivables of \$23.1 billion and \$21.8 billion, respectively, that have been sold for legal purposes in securitization transactions but continue to be reported in our consolidated financial statements. The receivables are available only for payment of the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions; they are not available to pay the other obligations or the claims of Ford Credit's other creditors. Ford Credit holds the right to receive the excess cash flows not needed to pay the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions (see Note 5 for additional information).

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. FINANCE RECEIVABLES (Continued)**Aging**

For all finance receivables, we define “past due” as any payment, including principal and interest, that is at least 31 days past the contractual due date. The recorded investment of consumer receivables greater than 90 days past due and still accruing interest was \$15 million and \$17 million at September 30, 2015 and December 31, 2014, respectively. The recorded investment of non-consumer receivables greater than 90 days past due and still accruing interest was \$3 million at September 30, 2015 and December 31, 2014.

The aging analysis of finance receivables balances was as follows (in millions):

	September 30, 2015	December 31, 2014
Consumer		
31-60 days past due	\$ 597	\$ 718
61-90 days past due	94	97
91-120 days past due	25	29
Greater than 120 days past due	39	52
Total past due	755	896
Current	58,369	53,200
Consumer finance receivables	59,124	54,096
Non-Consumer		
Total past due	127	117
Current	33,785	33,023
Non-Consumer finance receivables	33,912	33,140
Total recorded investment	<u>\$ 93,036</u>	<u>\$ 87,236</u>

Credit Quality*Consumer Segment*

Credit quality ratings for consumer receivables are based on our aging analysis. Refer to the aging table above.

Consumer receivables credit quality ratings are as follows:

- *Pass* – current to 60 days past due
- *Special Mention* – 61 to 120 days past due and in intensified collection status
- *Substandard* – greater than 120 days past due and for which the uncollectible portion of the receivables has already been charged off, as measured using the fair value of collateral

Non-Consumer Segment

Dealers are assigned to one of four groups according to risk ratings as follows:

- *Group I* – strong to superior financial metrics
- *Group II* – fair to favorable financial metrics
- *Group III* – marginal to weak financial metrics
- *Group IV* – poor financial metrics, including dealers classified as uncollectible

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. FINANCE RECEIVABLES (Continued)

The credit quality analysis of our dealer financing receivables was as follows (in millions):

	September 30, 2015	December 31, 2014
Dealer financing		
Group I	\$ 24,763	\$ 23,641
Group II	6,389	6,360
Group III	1,462	1,787
Group IV	108	87
Total recorded investment	<u>\$ 32,722</u>	<u>\$ 31,875</u>

Impaired Receivables

Impaired consumer receivables include accounts that have been rewritten or modified in reorganization proceedings pursuant to the U.S. Bankruptcy Code that are considered to be Troubled Debt Restructurings (“TDRs”), as well as all accounts greater than 120 days past due. Impaired non-consumer receivables represent accounts with dealers that have weak or poor financial metrics or dealer financing that has been modified in TDRs. The recorded investment of consumer receivables that were impaired at September 30, 2015 and December 31, 2014 was \$375 million, or 0.6% of consumer receivables, and \$415 million, or 0.8% of consumer receivables, respectively. The recorded investment of non-consumer receivables that were impaired at September 30, 2015 and December 31, 2014 was \$129 million, or 0.4% of non-consumer receivables, and \$110 million, or 0.3% of non-consumer receivables, respectively. Impaired finance receivables are evaluated both collectively and specifically.

The accrual of revenue is discontinued at the time a receivable is determined to be uncollectible. Accounts may be restored to accrual status only when a customer settles all past-due deficiency balances and future payments are reasonably assured. For receivables in non-accrual status, subsequent financing revenue is recognized only to the extent a payment is received. Payments are generally applied first to outstanding interest and then to the unpaid principal balance.

A restructuring of debt constitutes a TDR if we grant a concession to a debtor for economic or legal reasons related to the debtor’s financial difficulties that we otherwise would not consider. Consumer and non-consumer receivables that have a modified interest rate below market rate or that were modified in reorganization proceedings pursuant to the U.S. Bankruptcy Code, except non-consumer receivables that are current with minimal risk of loss, are considered to be TDRs. We do not grant concessions on the principal balance of our receivables. If a receivable is modified in a reorganization proceeding, all payment requirements of the reorganization plan need to be met before remaining balances are forgiven. Finance receivables involved in TDRs are specifically assessed for impairment.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. NET INVESTMENT IN OPERATING LEASES

Net investment in operating leases consist primarily of lease contracts for vehicles with retail customers, daily rental companies, government entities, and fleet customers with terms of 60 months or less.

Net investment in operating leases were as follows (in millions):

	September 30, 2015	December 31, 2014
Vehicles, at cost (a)	\$ 28,674	\$ 24,952
Less: Accumulated depreciation	(4,117)	(3,396)
Net investment in operating leases before allowance for credit losses	24,557	21,556
Less: Allowance for credit losses	(47)	(38)
Net investment in operating leases	<u>\$ 24,510</u>	<u>\$ 21,518</u>

(a) Includes unearned interest supplements and residual support payments we receive on certain leasing transactions under agreements with Ford and affiliated companies, and other vehicle acquisition costs.

At September 30, 2015 and December 31, 2014, includes net investment in operating leases before allowance for credit losses of \$11.3 billion and \$9.6 billion, respectively, that have been included in securitization transactions but continue to be reported in our consolidated financial statements. These net investment in operating leases are available only for payment of the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions; they are not available to pay our other obligations or the claims of our other creditors. We hold the right to receive the excess cash flows not needed to pay the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions (see Note 5 for additional information).

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. ALLOWANCE FOR CREDIT LOSSES

An analysis of the allowance for credit losses related to finance receivables and net investment in operating leases for the periods ended September 30 (in millions) was as follows:

	Third Quarter 2015				
	Finance Receivables			Net Investment in Operating Leases	Total Allowance
	Consumer	Non-Consumer	Total		
Allowance for credit losses					
Beginning balance	\$ 322	\$ 13	\$ 335	\$ 45	\$ 380
Charge-offs	(85)	(2)	(87)	(31)	(118)
Recoveries	29	1	30	15	45
Provision for credit losses	80	2	82	18	100
Other (a)	(4)	—	(4)	—	(4)
Ending balance	<u>\$ 342</u>	<u>\$ 14</u>	<u>\$ 356</u>	<u>\$ 47</u>	<u>\$ 403</u>
First Nine Months 2015					
	Finance Receivables			Net Investment in Operating Leases	Total Allowance
	Consumer	Non-Consumer	Total		
Allowance for credit losses					
Beginning balance	\$ 305	\$ 16	\$ 321	\$ 38	\$ 359
Charge-offs	(235)	(3)	(238)	(87)	(325)
Recoveries	90	4	94	46	140
Provision for credit losses	190	(2)	188	51	239
Other (a)	(8)	(1)	(9)	(1)	(10)
Ending balance	<u>\$ 342</u>	<u>\$ 14</u>	<u>\$ 356</u>	<u>\$ 47</u>	<u>\$ 403</u>
Analysis of ending balance of allowance for credit losses					
Collective impairment allowance	\$ 323	\$ 12	\$ 335	\$ 47	\$ 382
Specific impairment allowance	19	2	21	—	21
Ending balance	<u>342</u>	<u>14</u>	<u>356</u>	<u>47</u>	<u>\$ 403</u>
Analysis of ending balance of finance receivables and net investment in operating leases					
Collectively evaluated for impairment	58,749	33,783	92,532	24,557	
Specifically evaluated for impairment	375	129	504	—	
Recorded investment	<u>59,124</u>	<u>33,912</u>	<u>93,036</u>	<u>24,557</u>	
Ending balance, net of allowance for credit losses	<u>\$ 58,782</u>	<u>\$ 33,898</u>	<u>\$ 92,680</u>	<u>\$ 24,510</u>	

(a) Primarily represents amounts related to translation adjustments.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. ALLOWANCE FOR CREDIT LOSSES (Continued)

	Third Quarter 2014				
	Finance Receivables			Net Investment in Operating Leases	Total Allowance
	Consumer	Non-Consumer	Total		
Allowance for credit losses					
Beginning balance	\$ 303	\$ 24	\$ 327	\$ 26	\$ 353
Charge-offs	(68)	(2)	(70)	(28)	(98)
Recoveries	33	2	35	15	50
Provision for credit losses	42	(3)	39	18	57
Other (a)	(5)	(1)	(6)	—	(6)
Ending balance	<u>\$ 305</u>	<u>\$ 20</u>	<u>\$ 325</u>	<u>\$ 31</u>	<u>\$ 356</u>
First Nine Months 2014					
	Finance Receivables			Net Investment in Operating Leases	Total Allowance
	Consumer	Non-Consumer	Total		
Allowance for credit losses					
Beginning balance	\$ 327	\$ 30	\$ 357	\$ 23	\$ 380
Charge-offs	(200)	(7)	(207)	(82)	(289)
Recoveries	101	8	109	47	156
Provision for credit losses	82	(10)	72	43	115
Other (a)	(5)	(1)	(6)	—	(6)
Ending balance	<u>\$ 305</u>	<u>\$ 20</u>	<u>\$ 325</u>	<u>\$ 31</u>	<u>\$ 356</u>
Analysis of ending balance of allowance for credit losses					
Collective impairment allowance	\$ 283	\$ 19	\$ 302	\$ 31	\$ 333
Specific impairment allowance	22	1	23	—	23
Ending balance	<u>305</u>	<u>20</u>	<u>325</u>	<u>31</u>	<u>\$ 356</u>
Analysis of ending balance of finance receivables and net investment in operating leases					
Collectively evaluated for impairment	53,150	31,815	84,965	20,947	
Specifically evaluated for impairment	421	136	557	—	
Recorded investment	<u>53,571</u>	<u>31,951</u>	<u>85,522</u>	<u>20,947</u>	
Ending balance, net of allowance for credit losses	<u>\$ 53,266</u>	<u>\$ 31,931</u>	<u>\$ 85,197</u>	<u>\$ 20,916</u>	

(a) Primarily represents amounts related to translation adjustments.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. TRANSFERS OF RECEIVABLES

We securitize finance receivables and net investment in operating leases through a variety of programs using amortizing, variable funding, and revolving structures. We also sell finance receivables in structured financing transactions. Due to the similarities between securitization and structured financing, we refer to structured financings as securitization transactions. Our securitization programs are targeted to institutional investors in both public and private transactions in capital markets including the United States, Canada, several European countries, Mexico, and China.

We engage in securitization transactions to fund operations and to maintain liquidity. Our securitization transactions are recorded as asset-backed debt and the associated assets are not derecognized and continue to be included in our financial statements.

The finance receivables sold for legal purposes and net investment in operating leases included in securitization transactions are available only for payment of the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions. They are not available to pay our other obligations or the claims of our other creditors. We hold the right to receive the excess cash flows not needed to pay the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions. The debt is the obligation of our consolidated securitization entities and not the obligation of Ford Credit or our other subsidiaries.

Most of these securitization transactions utilize VIEs. See Note 6 for more information concerning VIEs. The following tables show the assets and debt related to our securitization transactions that were included in our financial statements (in billions):

	September 30, 2015				
	Finance Receivables and Net Investment in Operating Leases (a)				Related Debt
	Cash and Cash Equivalents	Before Allowance for Credit Losses	Allowance for Credit Losses	After Allowance for Credit Losses	
VIE (b)					
Retail financing	\$ 1.5	\$ 21.9	\$ 0.1	\$ 21.8	\$ 19.9
Wholesale financing	0.3	22.2	—	22.2	14.5
Finance receivables	1.8	44.1	0.1	44.0	34.4
Net investment in operating leases	0.6	11.3	—	11.3	7.3
Total VIE	\$ 2.4	\$ 55.4	\$ 0.1	\$ 55.3	\$ 41.7
Non-VIE					
Retail financing	\$ 0.4	\$ 5.8	\$ —	\$ 5.8	\$ 5.3
Wholesale financing	—	0.9	—	0.9	0.9
Finance receivables	0.4	6.7	—	6.7	6.2
Net investment in operating leases	—	—	—	—	—
Total Non-VIE	\$ 0.4	\$ 6.7	\$ —	\$ 6.7	\$ 6.2
Total securitization transactions					
Retail financing	\$ 1.9	\$ 27.7	\$ 0.1	\$ 27.6	\$ 25.2
Wholesale financing	0.3	23.1	—	23.1	15.4
Finance receivables	2.2	50.8	0.1	50.7	40.6
Net investment in operating leases	0.6	11.3	—	11.3	7.3
Total securitization transactions	\$ 2.8	\$ 62.1	\$ 0.1	\$ 62.0	\$ 47.9

(a) Unearned interest supplements and residual support are excluded from securitization transactions.

(b) Includes assets to be used to settle the liabilities of the consolidated VIEs.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. TRANSFERS OF RECEIVABLES (Continued)

	December 31, 2014				
	Finance Receivables and Net Investment in Operating Leases (a)				
	Cash and Cash Equivalents	Before Allowance for Credit Losses	Allowance for Credit Losses	After Allowance for Credit Losses	Related Debt
VIE (b)					
Retail financing	\$ 1.4	\$ 18.8	\$ 0.1	\$ 18.7	\$ 17.3
Wholesale financing	0.3	20.8	—	20.8	13.3
Finance receivables	1.7	39.6	0.1	39.5	30.6
Net investment in operating leases	0.4	9.6	—	9.6	6.6
Total VIE	\$ 2.1	\$ 49.2	\$ 0.1	\$ 49.1	\$ 37.2
Non-VIE					
Retail financing	\$ 0.3	\$ 5.6	\$ —	\$ 5.6	\$ 5.2
Wholesale financing	—	1.0	—	1.0	0.9
Finance receivables	0.3	6.6	—	6.6	6.1
Net investment in operating leases	—	—	—	—	—
Total Non-VIE	\$ 0.3	\$ 6.6	\$ —	\$ 6.6	\$ 6.1
Total securitization transactions					
Retail financing	\$ 1.7	\$ 24.4	\$ 0.1	\$ 24.3	\$ 22.5
Wholesale financing	0.3	21.8	—	21.8	14.2
Finance receivables	2.0	46.2	0.1	46.1	36.7
Net investment in operating leases	0.4	9.6	—	9.6	6.6
Total securitization transactions	\$ 2.4	\$ 55.8	\$ 0.1	\$ 55.7	\$ 43.3

(a) Unearned interest supplements and residual support are excluded from securitization transactions.

(b) Includes assets to be used to settle the liabilities of the consolidated VIEs.

NOTE 6. VARIABLE INTEREST ENTITIES**VIEs of Which We Are the Primary Beneficiary**

We use special purpose entities to issue asset-backed securities in transactions to public and private investors, bank conduits, and government-sponsored entities or others who obtain funding from government programs. We have deemed most of these special purpose entities to be VIEs as we have determined we have both the power to direct the activities of the entity that most significantly impact the entity's economic performance and the obligation to absorb losses or the right to receive benefits of the entity that could be significant. The asset-backed securities are backed by finance receivables and interests in net investments in operating leases. The assets continue to be consolidated by us. We retain interests in our securitization VIEs, including subordinated securities issued by the VIEs, rights to cash held for the benefit of the securitization investors, and rights to receive the excess cash flows not needed to pay the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. VARIABLE INTEREST ENTITIES (Continued)

We have no obligation to repurchase or replace any securitized asset that subsequently becomes delinquent in payment or otherwise is in default, except when representations and warranties about the eligibility of the securitized assets are breached, or when certain changes are made to the underlying asset contracts. Securitization investors have no recourse to us or our other assets and have no right to require us to repurchase the investments. We generally have no obligation to provide liquidity or contribute cash or additional assets to the VIEs and do not guarantee any asset-backed securities. We may be required to support the performance of certain securitization transactions, however, by increasing cash reserves.

See Note 5 for information on the financial position and financial performance of our VIEs.

VIEs of Which We Are Not the Primary Beneficiary

We have an investment in Forso Nordic AB, a joint venture determined to be a VIE of which we are not the primary beneficiary. The joint venture provides retail and dealer financing in its local markets and is financed by external debt and additional subordinated debt provided by the joint venture partner. The operating agreement indicates that the power to direct economically significant activities is shared with the joint venture partner, and the obligation to absorb losses or right to receive benefits resides primarily with the joint venture partner. Our investment in the joint venture is accounted for as an equity method investment and is included in *Other assets*. Our maximum exposure to any potential losses associated with this VIE is limited to our equity investment and amounted to \$66 million at September 30, 2015 and December 31, 2014.

NOTE 7. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

In the normal course of business, our operations are exposed to global market risks, including the effect of changes in interest rates and foreign currency exchange rates. To manage these risks, we enter into highly effective derivative contracts. We have elected to apply hedge accounting to certain derivatives. Derivatives that are designated in hedging relationships are evaluated for effectiveness using regression analysis at the time they are designated and throughout the hedge period. Some derivatives do not qualify for hedge accounting; for others, we elect not to apply hedge accounting.

Income Effect of Derivative Financial Instruments

The gains/(losses), by hedge designation, recorded in income for the periods ended September 30 were as follows (in millions):

	Third Quarter		First Nine Months	
	2015	2014	2015	2014
Fair value hedges				
Interest rate contracts				
Net interest settlements and accruals excluded from the assessment of hedge effectiveness	\$ 94	\$ 79	\$ 271	\$ 220
Ineffectiveness (a)	10	(2)	6	8
Derivatives not designated as hedging instruments				
Interest rate contracts	(22)	(10)	(83)	(37)
Foreign currency exchange contracts	40	52	40	22
Cross-currency interest rate swap contracts	63	118	75	102
Total	<u>\$ 185</u>	<u>\$ 237</u>	<u>\$ 309</u>	<u>\$ 315</u>

(a) For the third quarter and first nine months of 2015, hedge ineffectiveness reflects the net change in fair value on derivatives of \$373 million gain and \$345 million gain, respectively, and change in value on hedged debt attributable to the change in benchmark interest rates of \$363 million loss and \$339 million loss, respectively. For the third quarter and first nine months of 2014, hedge ineffectiveness reflects the net change in fair value on derivatives of \$88 million loss and \$179 million gain, respectively, and change in value on hedged debt attributable to the change in benchmark interest rates of \$86 million gain and \$171 million loss, respectively.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES (Continued)**Balance Sheet Effect of Derivative Financial Instruments**

Derivative financial instruments are recorded on the balance sheet at fair value, presented on a gross basis, and include an adjustment for non-performance risk. Notional amounts are presented on a gross basis. The notional amounts of the derivative financial instruments do not necessarily represent amounts exchanged by the parties and, therefore, are not a direct measure of our financial risk exposure. We enter into master agreements with counterparties that may allow for netting of exposure in the event of default or termination of the counterparty agreement due to breach of contract.

The notional amount and estimated fair value of our derivative financial instruments were as follows (in millions):

	September 30, 2015			December 31, 2014		
	Notional	Fair Value of Assets	Fair Value of Liabilities	Notional	Fair Value of Assets	Fair Value of Liabilities
Fair value hedges						
Interest rate contracts	\$ 26,323	\$ 848	\$ 4	\$ 23,203	\$ 602	\$ 38
Derivatives not designated as hedging instruments						
Interest rate contracts	56,173	216	174	56,558	168	89
Foreign currency exchange contracts (a)	1,189	7	1	1,527	18	1
Cross-currency interest rate swap contracts	2,615	97	101	2,425	71	39
Total derivative financial instruments, gross	<u>\$ 86,300</u>	<u>1,168</u>	<u>280</u>	<u>\$ 83,713</u>	<u>859</u>	<u>167</u>
Counterparty netting and collateral (b)		(190)	(190)		(136)	(136)
Total derivative financial instruments, net		<u>\$ 978</u>	<u>\$ 90</u>		<u>\$ 723</u>	<u>\$ 31</u>

(a) Includes forward contracts between Ford Credit and an affiliated company.

(b) At September 30, 2015 and December 31, 2014, we did not receive or pledge any cash collateral.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. OTHER ASSETS AND OTHER LIABILITIES AND DEFERRED INCOME

Other assets and other liabilities and deferred income consist of various balance sheet items that are combined for financial statement presentation due to their respective materiality compared with other individual asset and liability items.

Other assets were as follows (in millions):

	September 30, 2015	December 31, 2014
Accrued interest and other non-finance receivables	\$ 832	\$ 921
Collateral held for resale, at net realizable value	372	382
Restricted cash (a)	73	130
Deferred charges	280	268
Deferred charges – income taxes	164	185
Prepaid reinsurance premiums and other reinsurance receivables	435	401
Investment in non-consolidated affiliates	149	141
Property and equipment, net of accumulated depreciation (b)	134	120
Other	55	53
Total other assets	<u>\$ 2,494</u>	<u>\$ 2,601</u>

- (a) Restricted cash primarily includes cash held to meet certain local governmental and regulatory reserve requirements and cash held under the terms of certain contractual agreements. Restricted cash does not include required minimum balances or cash securing debt issued through securitization transactions.
- (b) Accumulated depreciation was \$335 million and \$326 million at September 30, 2015 and December 31, 2014, respectively.

Other liabilities and deferred income were as follows (in millions):

	September 30, 2015	December 31, 2014
Interest payable	\$ 486	\$ 587
Tax related payables to Ford and affiliated companies	138	625
Unrecognized tax benefits	99	91
Unearned insurance premiums	449	410
Other	477	497
Total other liabilities and deferred income	<u>\$ 1,649</u>	<u>\$ 2,210</u>

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. DEBT

Interest rates and debt outstanding were as follows (in millions):

	Debt		Interest Rates			
			Average Contractual		Average Effective	
	September 30, 2015	December 31, 2014	2015	2014	2015	2014
Short-term debt						
Unsecured debt						
Floating rate demand notes	\$ 5,854	\$ 5,559				
Commercial paper	1,941	1,651				
Other short-term debt	2,012	2,564				
Asset-backed debt	1,877	1,377				
Total short-term debt	11,684	11,151	1.5%	1.9%	1.5%	1.9%
Long-term debt						
Unsecured debt						
Notes payable within one year	7,899	9,102				
Notes payable after one year	47,013	42,488				
Asset-backed debt (a)						
Notes payable within one year	18,462	16,722				
Notes payable after one year	27,553	25,197				
Unamortized discount	(37)	(51)				
Fair value adjustments (b)	735	428				
Total long-term debt	101,625	93,886	2.3%	2.7%	2.4%	2.8%
Total debt	\$ 113,309	\$ 105,037	2.2%	2.6%	2.3%	2.7%
Fair value of debt (c)	\$ 114,187	\$ 107,190				

- (a) Asset-backed debt issued in securitizations is the obligation of the consolidated securitization entity that issued the debt and is payable only out of collections on the underlying securitized assets and related enhancements. This asset-backed debt is not the obligation of Ford Credit or our other subsidiaries.
- (b) Adjustments related to designated fair value hedges of unsecured debt.
- (c) The fair value of debt includes \$9.8 billion of short-term debt at September 30, 2015 and December 31, 2014, carried at cost, which approximates fair value. All debt is categorized within Level 2 of the fair value hierarchy.

NOTE 10. ACCUMULATED OTHER COMPREHENSIVE INCOME

The changes in the balance of Accumulated Other Comprehensive Income ("AOCI") attributable to Ford Credit for the periods ended September 30 were as follows (in millions):

	Third Quarter		First Nine Months	
	2015	2014	2015	2014
Foreign currency translation				
Beginning balance	\$ (127)	\$ 720	\$ 160	\$ 717
Net gain/(loss) on foreign currency translation	(275)	(335)	(562)	(332)
Other comprehensive income/(loss), net of tax	(275)	(335)	(562)	(332)
Ending balance	\$ (402)	\$ 385	\$ (402)	\$ 385
Total AOCI ending balance at September 30	\$ (402)	\$ 385	\$ (402)	\$ 385

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 11. OTHER INCOME

Other income consists of various line items that are combined on the income statement due to their respective materiality compared with other individual income and expense items.

The amounts included in *Other income, net* were as follows for the periods ended September 30 (in millions):

	Third Quarter		First Nine Months	
	2015	2014	2015	2014
Gains/(Losses) on derivatives	\$ 92	\$ 158	\$ 37	\$ 95
Currency revaluation gains/(losses)	(106)	(170)	(117)	(132)
Interest and investment income	30	12	75	41
Insurance fee income	25	16	63	57
Other	37	51	121	123
Total other income, net	<u>\$ 78</u>	<u>\$ 67</u>	<u>\$ 179</u>	<u>\$ 184</u>

NOTE 12. FAIR VALUE MEASUREMENTS

Cash equivalents, marketable securities, and derivative financial instruments are remeasured and presented on our financial statements on a recurring basis at fair value, while other assets and liabilities are measured at fair value on a nonrecurring basis, such as when we have an asset impairment.

There have been no changes to the types of inputs used or valuation techniques since year end.

Input Hierarchy of Items Measured at Fair Value on a Recurring Basis

The following table categorizes the fair values of items measured at fair value on a recurring basis on our balance sheet, none of which are Level 3 (in millions):

	September 30, 2015			December 31, 2014		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Assets						
Cash equivalents-financial instruments						
Non-U.S. government and agencies	\$ —	\$ 307	\$ 307	\$ —	\$ 341	\$ 341
Corporate debt	—	20	20	—	10	10
Total cash equivalents-financial instruments (a)	—	327	327	—	351	351
Marketable securities						
U.S. government and agencies	105	319	424	17	1,251	1,268
Non-U.S. government and agencies	—	700	700	—	405	405
Corporate debt	—	1,613	1,613	—	1,555	1,555
Other marketable securities	—	20	20	—	30	30
Total marketable securities	105	2,652	2,757	17	3,241	3,258
Derivative financial instruments						
Derivative financial instruments (b)	—	1,168	1,168	—	859	859
Total assets at fair value	<u>\$ 105</u>	<u>\$ 4,147</u>	<u>\$ 4,252</u>	<u>\$ 17</u>	<u>\$ 4,451</u>	<u>\$ 4,468</u>
Liabilities						
Derivative financial instruments (b)	\$ —	\$ 280	\$ 280	\$ —	\$ 167	\$ 167
Total liabilities at fair value	<u>\$ —</u>	<u>\$ 280</u>	<u>\$ 280</u>	<u>\$ —</u>	<u>\$ 167</u>	<u>\$ 167</u>

(a) Excludes time deposits, certificates of deposit, and money market accounts reported at par value on our balance sheet totaling \$4.9 billion and \$3.8 billion at September 30, 2015 and December 31, 2014, respectively. In addition to these cash equivalents, we also had cash on hand totaling \$1.7 billion and \$2.0 billion at September 30, 2015 and December 31, 2014, respectively.

(b) See Note 7 for additional information regarding derivatives.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 13. SEGMENT INFORMATION

We divide our business segments based on geographic regions: North America ("North America Segment") and International ("International Segment"). The North America Segment includes our operations in the United States and Canada. The International Segment includes our operations in all other countries in which we do business directly and indirectly.

Key operating data for our business segments for the periods ended or at September 30 were as follows (in millions):

	Unallocated/Eliminations						
	North America Segment	International Segment	Unallocated Risk Management	Adjustment to Receivables (a)	Total Unallocated/ Eliminations		Total
Third Quarter 2015							
Total revenue (b)	\$ 2,054	\$ 421	\$ 3	\$ —	\$ 3	\$	2,478
Income before income taxes	415	123	3	—	3		541
Other disclosures							
Depreciation on vehicles subject to operating leases	947	9	—	—	—		956
Interest expense	431	151	—	—	—		582
Provision for credit losses	84	16	—	—	—		100
Third Quarter 2014							
Total revenue (b)	\$ 1,883	\$ 438	\$ (9)	\$ —	\$ (9)	\$	2,312
Income before income taxes	374	133	(9)	—	(9)		498
Other disclosures							
Depreciation on vehicles subject to operating leases	791	10	—	—	—		801
Interest expense	498	165	—	—	—		663
Provision for credit losses	48	9	—	—	—		57
First Nine Months 2015							
Total revenue (b)	\$ 5,902	\$ 1,231	\$ (35)	\$ —	\$ (35)	\$	7,098
Income before income taxes	1,200	365	(35)	—	(35)		1,530
Other disclosures							
Depreciation on vehicles subject to operating leases	2,607	23	—	—	—		2,630
Interest expense	1,361	458	—	—	—		1,819
Provision for credit losses	199	40	—	—	—		239
Net finance receivables and net investment in operating leases	99,241	23,139	—	(5,190)	(5,190)		117,190
Total assets	104,067	27,423	—	—	—		131,490
First Nine Months 2014							
Total revenue (b)	\$ 5,470	\$ 1,258	\$ (23)	\$ —	\$ (23)	\$	6,705
Income before income taxes	1,069	385	(23)	—	(23)		1,431
Other disclosures							
Depreciation on vehicles subject to operating leases	2,218	30	—	—	—		2,248
Interest expense	1,521	481	—	—	—		2,002
Provision for credit losses	94	21	—	—	—		115
Net finance receivables and net investment in operating leases	88,599	21,766	—	(4,252)	(4,252)		106,113
Total assets	95,491	25,725	—	—	—		121,216

(a) Includes unearned interest supplements and residual support, allowances for credit losses, and other (primarily accumulated supplemental depreciation).

(b) Represents *Total financing revenue*, *Insurance premiums earned*, and *Other income, net*.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 14. COMMITMENTS AND CONTINGENCIES

Commitments and contingencies consist primarily of lease commitments, guarantees and indemnifications, and litigation and claims.

Guarantees and Indemnifications

Guarantees and indemnifications are recorded at fair value at their inception. We regularly review our performance risk under these arrangements, and in the event it becomes probable we will be required to perform under a guarantee or indemnity, the amount of probable payment is recorded.

In some cases, we have guaranteed debt and other financial obligations of outside third parties and unconsolidated affiliates, including Ford. Expiration dates vary, and guarantees will terminate on payment and/or cancellation of the underlying obligation. A payment by us would be triggered by failure of the guaranteed party to fulfill its obligation covered by the guarantee. In some circumstances, we are entitled to recover from Ford, an affiliate of Ford, or a third party amounts paid by us under the guarantee. However, our ability to enforce these rights is sometimes stayed until the guaranteed party is paid in full, and may be limited in the event of insolvency of the third party or other circumstances.

In the ordinary course of business, we execute contracts involving indemnifications standard in the industry and indemnifications specific to a transaction. These indemnifications might include and are not limited to claims relating to any of the following: environmental, tax, and shareholder matters; intellectual property rights; governmental regulations and employment-related matters; dealer and other commercial contractual relationships; and financial matters, such as securitizations. Performance under these indemnities generally would be triggered by a breach of terms of the contract or by a third-party claim. While some of these indemnifications are limited in nature, many of them do not limit potential payment. Therefore, we are unable to estimate a maximum amount of future payments that could result from claims made under these unlimited indemnities.

The maximum potential payments under these guarantees and limited indemnities totaled \$85 million and \$107 million at September 30, 2015 and December 31, 2014, respectively. Of these values, \$79 million and \$101 million at September 30, 2015 and December 31, 2014, respectively, were counter-guaranteed by Ford to us. There were no recorded liabilities related to guarantees and limited indemnities at September 30, 2015 and December 31, 2014.

Litigation and Claims

Various legal actions, proceedings, and claims (generally, "matters") are pending or may be instituted or asserted against us. These include but are not limited to matters arising out of governmental regulations; tax matters; alleged illegal acts resulting in fines or penalties; financial services; employment-related matters; dealer and other contractual relationships; personal injury matters; investor matters; and financial reporting matters. Certain of the pending legal actions are, or purport to be, class actions. Some of the matters involve or may involve claims for compensatory, punitive, or antitrust or other treble damages in very large amounts, sanctions, assessments, or other relief, which, if granted, would require very large expenditures.

The extent of our financial exposure to these matters is difficult to estimate. Many matters do not specify a dollar amount for damages, and many others specify only a jurisdictional minimum. To the extent an amount is asserted, our historical experience suggests that in most instances the amount asserted is not a reliable indicator of the ultimate outcome.

We accrue for matters when losses are deemed probable and reasonably estimable. In evaluating matters for accrual and disclosure purposes, we take into consideration factors such as our historical experience with matters of a similar nature, the specific facts and circumstances asserted, the likelihood that we will prevail, and the severity of any potential loss. We reevaluate and update our accruals as matters progress over time.

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS

NOTE 14. COMMITMENTS AND CONTINGENCIES (Continued)

For nearly all of our matters, where our historical experience with similar matters is of limited value (i.e., “non-pattern matters”), we evaluate the matters primarily based on the individual facts and circumstances. For non-pattern matters, we evaluate whether there is a reasonable possibility of a material loss in excess of any accrual that can be estimated. It is reasonably possible that some of the matters for which accruals have not been established could be decided unfavorably to us and could require us to pay damages or make other expenditures. We do not reasonably expect, based on our analysis, that such matters would have a material effect on future financial statements for a particular year, although such an outcome is possible.

As noted, the litigation process is subject to many uncertainties, and the outcome of individual matters is not predictable with assurance. Our assessments are based on our knowledge and experience, but the ultimate outcome of any matter could require payment substantially in excess of the amount that we have accrued and/or disclosed.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholder of
Ford Motor Credit Company LLC:

We have reviewed the accompanying consolidated balance sheet of Ford Motor Credit Company LLC and its subsidiaries (the "Company") as of September 30, 2015, and the related consolidated statements of income and comprehensive income for the three-month and nine-month periods ended September 30, 2015 and 2014 and the consolidated statements of shareholder's interest and cash flows for the nine-month periods ended September 30, 2015 and 2014. These interim financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet as of December 31, 2014, and the related consolidated statements of income, comprehensive income, shareholder's interest, and cash flows for the year then ended (not presented herein), and in our report dated February 13, 2015, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 2014, is fairly stated in all material respects in relation to the consolidated balance sheet from which it has been derived.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Detroit, Michigan
October 27, 2015

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Results of Operations

Overview

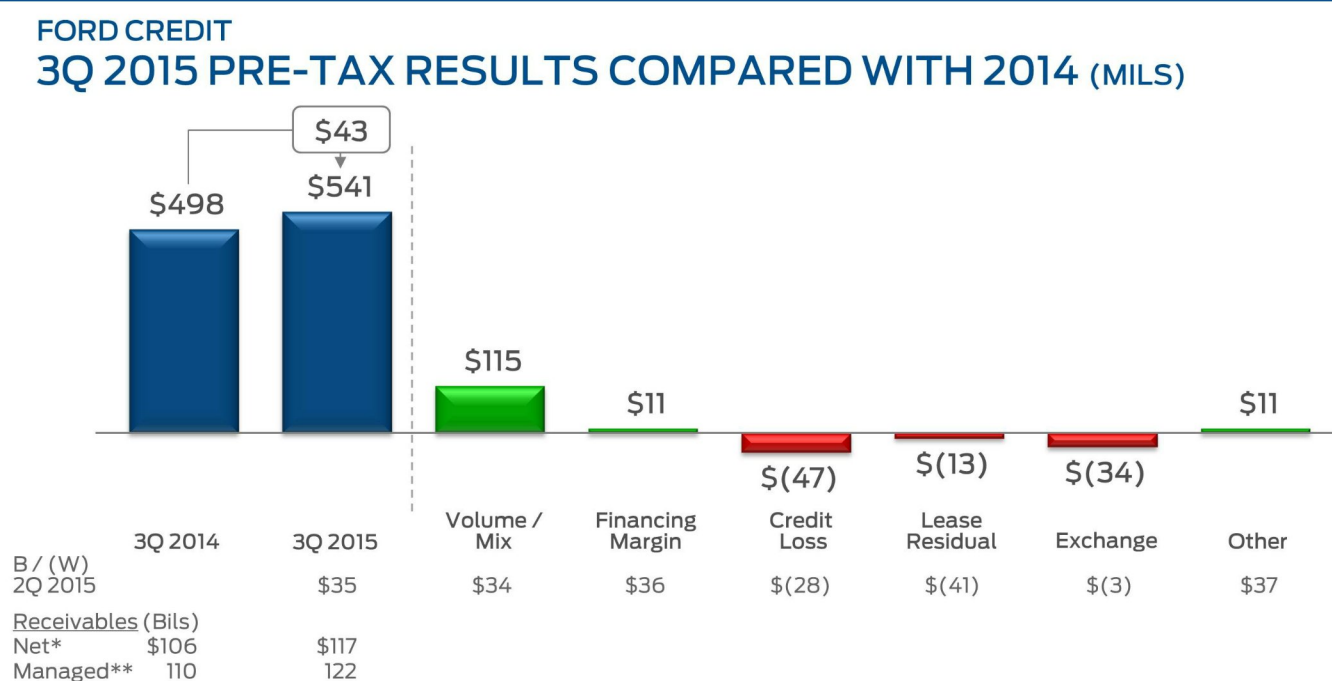
In general, we measure period-to-period changes in pre-tax results using the causal factors listed below:

- *Volume and Mix* – Volume and Mix are primarily reflected within *Net financing margin* on the income statement.
 - Volume primarily measures changes in net financing margin driven by changes in average finance receivables and net investment in operating leases at prior period financing margin yield (defined below in financing margin) at prior period exchange rates. Volume changes are primarily driven by the volume of new and used vehicle sales and leases, the extent to which we purchase retail installment sale and lease contracts, the extent to which we provide wholesale financing, the sales price of the vehicles financed, the level of dealer inventories, Ford-sponsored special financing programs available exclusively through us, and the availability of cost-effective funding for the purchase of retail installment sale and lease contracts and to provide wholesale financing.
 - Mix primarily measures changes in net financing margin driven by period over period changes in the composition of our average managed receivables by product and by country or region.
- *Financing Margin* – Financing Margin is reflected within *Net financing margin* on the income statement.
 - Financing margin variance is the period-to-period change in financing margin yield multiplied by the present period average receivables at prior period exchange rates. This calculation is performed at the product and country level and then aggregated. Financing margin yield equals revenue, less interest expense and scheduled depreciation for the period, divided by average receivables for the same period.
 - Financing margin changes are driven by changes in revenue and interest expense. Changes in revenue are primarily driven by the level of market interest rates, cost assumptions in pricing, mix of business, and competitive environment. Changes in interest expense are primarily driven by the level of market interest rates, borrowing spreads, and asset-liability management.
- *Credit Loss* – Credit Loss is reflected as the *Provision for credit losses* on the income statement.
 - Credit loss measures changes in the provision for credit losses at prior period exchange rates. For analysis purposes, management splits the provision for credit losses primarily into net charge-offs and the change in the allowance for credit losses.
 - Net charge-off changes are primarily driven by the number of repossessions, severity per repossession, and recoveries. Changes in the allowance for credit losses are primarily driven by changes in historical trends in credit losses and recoveries, changes in the composition and size of our present portfolio, changes in trends in historical used vehicle values, and changes in economic conditions. For additional information on the allowance for credit losses, refer to the “Critical Accounting Estimates – Allowance for Credit Losses” section of Item 7 of Part II of our 2014 Form 10-K Report.
- *Lease Residual* – Lease Residual is reflected within *Depreciation on vehicles subject to operating leases* on the income statement.
 - Lease residual measures changes to residual performance at prior period exchange rates. For analysis purposes, management splits residual performance primarily into residual gains and losses, and the change in accumulated supplemental depreciation.
 - Residual gain and loss changes are primarily driven by the number of vehicles returned to us and sold, and the difference between the auction value and the depreciated value of the vehicles sold. Changes in accumulated supplemental depreciation are primarily driven by changes in our estimate of the number of vehicles that will be returned to us and sold, and changes in our estimate of the expected auction value at the end of the lease term. For additional information on accumulated supplemental depreciation, refer to the “Critical Accounting Estimates – Accumulated Depreciation on Vehicles Subject to Operating Leases” section of Item 7 of Part II of our 2014 Form 10-K Report.
- *Exchange* – Reflects changes in pre-tax results driven by the effects of converting functional currency income to U.S. dollars and is reflected in all lines on the income statement.

- *Other* – Primarily includes *Operating expenses*, *Other revenue*, and *Insurance expenses* on the income statement at prior period exchange rates.
 - Changes in operating expenses are primarily driven by salaried personnel costs, facilities costs, and costs associated with the origination and servicing of customer contracts.
 - In general, other revenue changes are primarily driven by changes in earnings related to market valuation adjustments to derivatives (primarily related to movements in interest rates), which are included in unallocated risk management, and other miscellaneous items.

Third Quarter 2015 Compared with Third Quarter 2014

Our net income was \$365 million in the third quarter of 2015, compared with \$718 million a year ago. The decrease was primarily driven by the non-recurrence of favorable tax items recorded in the third quarter of 2014. For additional information, see Note 1 of our Notes to the Financial Statements. On a pre-tax basis, we earned \$541 million in the third quarter of 2015, compared with \$498 million a year ago. The following chart shows the factors that contributed to the higher pre-tax profit:



* Net receivables reflect net finance receivables and net investment in operating leases reported on Ford Credit's balance sheet

** Managed receivables equal net receivables, excluding unearned interest supplements and residual support, allowance for credit losses, and other (primarily accumulated supplemental depreciation)

Pre-tax profit improved compared with a year ago as a result of favorable volume and mix, reflecting primarily higher consumer finance receivables in all geographic segments and an increase in leasing in North America.

Higher credit losses, primarily in North America, were a partial offset, reflecting higher charge-offs and an increase in the reserve.

As shown below the chart, pre-tax profit was higher compared with second quarter of 2015, more than explained by higher financing margin and favorable volume and mix. Unfavorable residual performance reflecting lower auction values in the North America lease portfolio was a partial offset.

Results of operations by business segment and unallocated risk management for the periods ended September 30 are shown below (in millions). For additional information, see Note 13 of our Notes to the Financial Statements.

	Third Quarter			First Nine Months		
	2015	2014	2015 Over/(Under) 2014	2015	2014	2015 Over/(Under) 2014
Income before income taxes						
North America Segment	\$ 415	\$ 374	\$ 41	\$ 1,200	\$ 1,069	\$ 131
International Segment	123	133	(10)	365	385	(20)
Unallocated risk management	3	(9)	12	(35)	(23)	(12)
Income before income taxes	<u>\$ 541</u>	<u>\$ 498</u>	<u>\$ 43</u>	<u>\$ 1,530</u>	<u>\$ 1,431</u>	<u>\$ 99</u>

North America Segment

The North America Segment's higher pre-tax profit for the third quarter and first nine months of 2015 is explained by favorable volume and mix, driven by higher leasing and higher consumer finance receivables. A partial offset was higher credit losses, explained primarily by an increase in the reserve and higher charge-offs.

International Segment

The International Segment's lower pre-tax profit for the third quarter and first nine months of 2015 is more than explained by the adverse effects of the strong U.S. dollar and lower financing margin driven by lower portfolio yield. Favorable volume and mix, driven by growth in all products, was a partial offset.

Unallocated Risk Management

The improvement in unallocated risk management for the third quarter primarily reflects favorable net performance in market valuation adjustments to derivatives. For the first nine months of 2015, the change primarily reflects higher net losses related to market valuation adjustments to derivatives. For additional information, see Notes 7 and 12 of our Notes to the Financial Statements.

Contract Placement Volume and Financing Share

Total worldwide consumer financing contract placement volumes for new and used vehicles for the periods ended September 30 were as follows (in thousands):

	Third Quarter		First Nine Months	
	2015	2014	2015	2014
North America Segment				
United States	411	356	1,040	946
Canada	46	47	121	111
Total North America Segment	457	403	1,161	1,057
International Segment				
Europe	124	119	386	351
Asia Pacific	23	26	70	80
Latin America	7	7	17	19
Total International Segment	154	152	473	450
Total contract placement volume	611	555	1,634	1,507

Shown below are our financing shares of new Ford- and Lincoln-brand vehicles sold by dealers in the United States and new Ford-brand vehicles sold by dealers in Europe for the periods ended September 30.

Also shown below are our wholesale financing shares of new Ford- and Lincoln-brand vehicles acquired by dealers in the United States, excluding fleet, and of new Ford-brand vehicles acquired by dealers in Europe for the periods ended September 30:

	Third Quarter		First Nine Months	
	2015	2014	2015	2014
United States				
Financing share				
Retail installment and lease	56%	53%	48%	46%
Wholesale	75	76	76	77
Europe				
Financing share				
Retail installment and lease	37%	38%	37%	36%
Wholesale	99	98	98	98

North America Segment

The increase in North America Segment contract placement volume for the third quarter primarily reflects higher industry volume. The increase for the first nine months of 2015 primarily reflects higher financing share. The higher retail installment and lease financing share for the third quarter and the first nine months of 2015 was driven by changes in Ford's marketing programs.

International Segment

The International Segment contract placement volume for the third quarter is largely unchanged. The increase for the first nine months of 2015, more than explained by Europe, primarily reflects increased industry volume.

Financial Condition*Finance Receivables and Operating Leases*

Our receivables, including finance receivables and operating leases, were as follows (in billions):

	September 30, 2015	December 31, 2014
Net Receivables (a)		
Finance receivables - North America Segment		
Consumer retail financing	\$ 48.6	\$ 44.1
Non-consumer: Dealer financing (b)	22.9	22.5
Non-consumer: Other	0.9	1.0
Total finance receivables - North America Segment	72.4	67.6
Finance receivables - International Segment		
Consumer retail financing	12.7	11.8
Non-consumer: Dealer financing (b)	9.8	9.3
Non-consumer: Other	0.3	0.3
Total finance receivables - International Segment	22.8	21.4
Unearned interest supplements	(2.1)	(1.8)
Allowance for credit losses	(0.4)	(0.3)
Finance receivables, net	92.7	86.9
Net investment in operating leases	24.5	21.5
Total net receivables	\$ 117.2	\$ 108.4
Managed Receivables		
Total net receivables	\$ 117.2	\$ 108.4
Unearned interest supplements and residual support	4.5	3.9
Allowance for credit losses	0.4	0.4
Other, primarily accumulated supplemental depreciation	0.3	0.1
Total managed receivables	\$ 122.4	\$ 112.8

(a) At September 30, 2015 and December 31, 2014, includes consumer receivables before allowance for credit losses of \$27.7 billion and \$24.4 billion, respectively, and non-consumer receivables before allowance for credit losses of \$23.1 billion and \$21.8 billion, respectively, that have been sold for legal purposes in securitization transactions but continue to be reported in our consolidated financial statements. In addition, at September 30, 2015 and December 31, 2014, includes net investment in operating leases before allowance for credit losses of \$11.3 billion and \$9.6 billion, respectively, that have been included in securitization transactions but continue to be reported in our consolidated financial statements. The receivables and net investment in operating leases are available only for payment of the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions; they are not available to pay the other obligations or the claims of Ford Credit's other creditors. Ford Credit holds the right to receive the excess cash flows not needed to pay the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions. For additional information on our securitization transactions, refer to the "Securitization Transactions" and "On-Balance Sheet Arrangements" sections of Item 7 of Part II of our 2014 Form 10-K Report and Note 5 of our Notes to the Financial Statements for the period ended September 30, 2015.

(b) Dealer financing primarily includes wholesale loans to dealers to finance the purchase of vehicle inventory.

Managed receivables at September 30, 2015 increased from year-end 2014, driven by growth in all products in all geographic segments, offset partially by the exchange rate impact of the strong U.S. dollar.

Credit Risk

Credit risk is the possibility of loss from a customer's or dealer's failure to make payments according to contract terms. Credit risk has a significant impact on our business. We actively manage the credit risk of our consumer (retail financing and operating lease) and non-consumer (dealer financing) receivables to balance our level of risk and return. The allowance for credit losses (also referred to as the credit loss reserve) represents our estimate of the probable credit losses inherent in our finance receivables and operating leases as of the balance sheet date. The allowance for credit losses is estimated using a combination of models and management judgment, and is based on such factors as historical loss performance, portfolio quality, and receivable levels. The adequacy of our allowance for credit losses is assessed quarterly and the assumptions and models used in establishing the allowance are evaluated regularly. A description of our allowance setting process is provided in the "Critical Accounting Estimates - Allowance for Credit Losses" section of Item 7 of Part II of our 2014 Form 10-K Report.

Most of our charge-offs are related to retail finance and operating lease contracts. Charge-offs are affected by the number of vehicle repossessions, the unpaid balance outstanding at the time of repossession, the auction price of repossessed vehicles, and other charge-offs. We also incur credit losses on our dealer financing, but default rates for these receivables historically have been substantially lower than those for retail finance and operating lease contracts. For additional information on severity, refer to the "Critical Accounting Estimates - Allowance for Credit Losses" section of Item 7 of Part II of our 2014 Form 10-K Report.

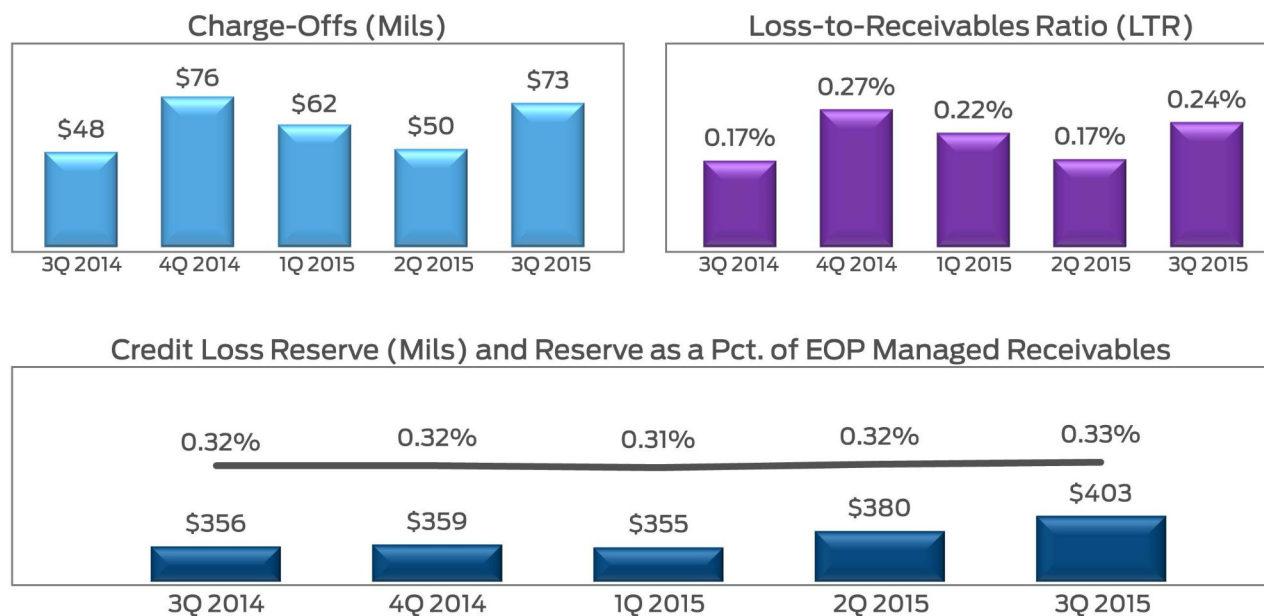
In purchasing retail finance and operating lease contracts, we use a proprietary scoring system that measures the credit quality of the receivables using several factors, such as credit bureau information, consumer credit risk scores (e.g., FICO score), and contract characteristics. In addition to our proprietary scoring system, we consider other factors, such as employment history, financial stability, and capacity to pay. At September 30, 2015 and December 31, 2014, we classified between 5% and 6% of the outstanding U.S. retail finance and operating lease contracts in our portfolio as higher risk at contract inception. For additional information on the quality of our receivables, see Note 2 of our Notes to the Financial Statements.

Worldwide Metrics

The following charts show (i) quarterly trends of charge-offs (credit losses, net of recoveries), (ii) loss-to-receivables ("LTR") ratios (charge-offs on an annualized basis divided by average end-of-period ("EOP") managed receivables), (iii) credit loss reserve, and (iv) our credit loss reserve as a percentage of EOP managed receivables:

FORD CREDIT

WORLDWIDE CREDIT LOSS METRICS



We continue to experience historically low levels of credit losses. The third quarter LTR of 24 basis points was up seven basis points from the prior year but well below the 10-year average of 46 basis points. Compared to the second quarter of 2015, LTR was up seven basis points, consistent with normal seasonality.

Charge-offs were up \$25 million year-over-year and up \$23 million quarter-over-quarter.

The reserve as a percent of managed receivables was up one basis point and \$23 million on an absolute basis from the second quarter of 2015. Our credit loss reserve is based on such factors as historical loss performance, portfolio quality, and receivable levels.

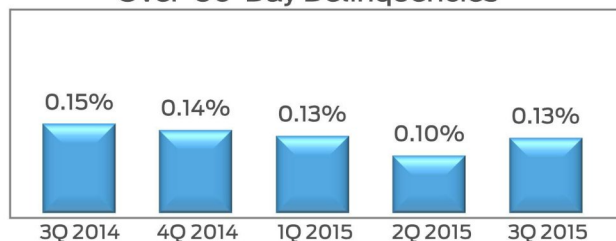
U.S. Ford- and Lincoln-Brand Retail Installment and Operating Lease

The following charts show the primary drivers of credit losses in the U.S. retail and lease business, which comprised 75% of our worldwide consumer portfolio at September 30, 2015.

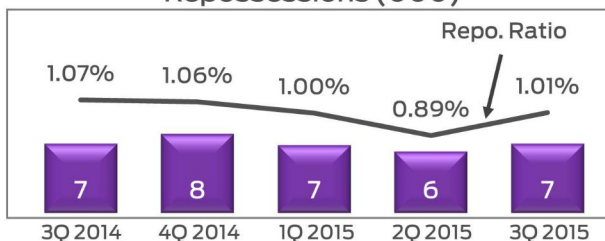
FORD CREDIT

U.S. RETAIL AND LEASE CREDIT LOSS DRIVERS

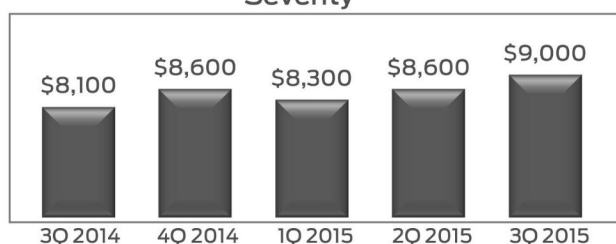
Over-60-Day Delinquencies*



Repossessions (000)



Severity**



Charge-Offs (Mils) and LTR (%)



* Excluding bankruptcies

** In 2015, reflects a change to include certain repossession expenses in charge-offs

Over-60-day delinquencies remain consistently low at 0.13%, down two basis points from a year ago and up three basis points from second quarter 2015.

Repossessions continue at historically low levels. There were 7,000 units, or 1.01% of average accounts outstanding, down six basis points from a year ago and up 12 basis points from second quarter 2015. The increase from second quarter is below seasonal trends. This represents our lowest third quarter repossession ratio on record.

Severity of \$9,000 in the third quarter was \$900 higher than the same period a year ago. Of this increase, \$500 primarily reflects higher amounts financed and higher balances at repossession, offset partially by higher auction values. The remainder reflects a first quarter 2015 change to include certain repossession expenses in charge-offs. Quarter-over-quarter severity increased by \$400.

Residual Risk

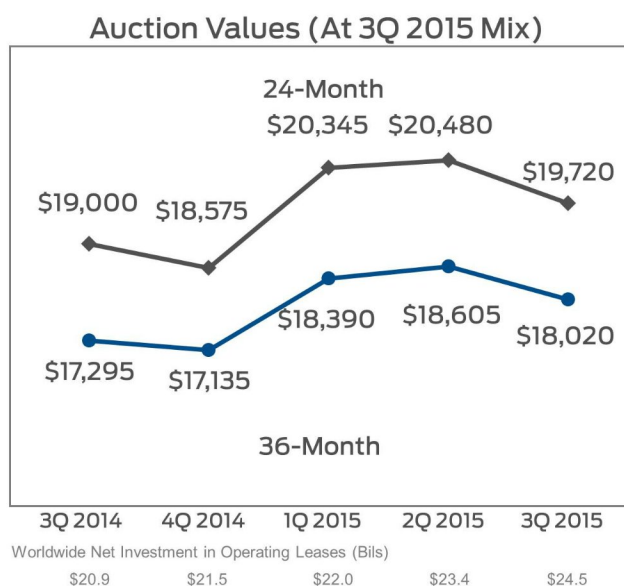
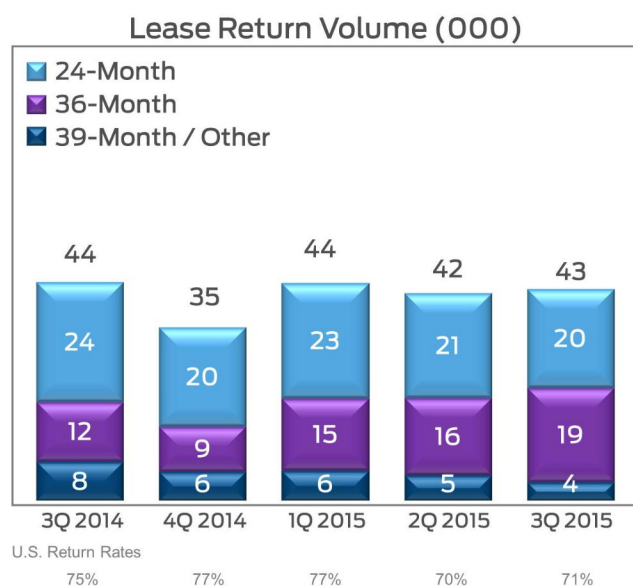
We are exposed to residual risk on operating leases and similar balloon payment products where the customer may return the financed vehicle to us. Residual risk is the possibility that the amount we obtain from returned vehicles will be less than our estimate of the expected residual value for the vehicle. We estimate the expected residual value by evaluating recent auction values, return volumes for our leased vehicles, industrywide used vehicle prices, marketing incentive plans, and vehicle quality data. Changes in expected residual values impact the depreciation expense, which is recognized on a straight-line basis over the life of the lease.

For additional information on our residual risk on operating leases, refer to the "Critical Accounting Estimates - Accumulated Depreciation on Vehicles Subject to Operating Leases" section of Item 7 of Part II of our 2014 Form 10-K Report.

U.S. Ford- and Lincoln-Brand Operating Lease Experience

The following charts show return volumes and auction values at constant third quarter 2015 vehicle mix for vehicles returned in the respective periods. The U.S. operating lease portfolio accounted for about 88% of our total net investment in operating leases at September 30, 2015.

FORD CREDIT U.S. LEASE RESIDUAL PERFORMANCE



In the third quarter, lease return volume and the return rate were down compared with the same period a year ago, reflecting fewer 24-month versus 36-month lease placements in 2013 relative to 2012.

Our auction values improved year-over-year and were down quarter-over-quarter, consistent with the industry.

Our worldwide net investment in operating leases was \$24.5 billion at the end of the third quarter of 2015, up \$3 billion from year-end 2014.

Credit Ratings

Our short-term and long-term debt is rated by four credit rating agencies designated as nationally recognized statistical rating organizations ("NRSROs") by the U.S. Securities and Exchange Commission:

- DBRS Limited ("DBRS");
- Fitch, Inc. ("Fitch");
- Moody's Investors Service, Inc. ("Moody's"); and
- Standard & Poor's Ratings Services, a division of McGraw Hill Financial ("S&P").

In several markets, locally recognized rating agencies also rate us. A credit rating reflects an assessment by the rating agency of the credit risk associated with a corporate entity or particular securities issued by that entity. Rating agencies' ratings of us are based on information provided by us and other sources. Credit ratings assigned to us from all of the NRSROs are closely associated with their opinions on Ford. Credit ratings are not recommendations to buy, sell, or hold securities and are subject to revision or withdrawal at any time by the assigning rating agency. Each rating agency may have different criteria for evaluating company risk and, therefore, ratings should be evaluated independently for each rating agency.

The following rating actions have been taken by these NRSROs since the filing of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2015:

- On October 9, 2015, DBRS confirmed its rating for Ford Credit, and changed the outlook to positive from stable.

The following chart summarizes certain of the credit ratings and outlook presently assigned by these four NRSROs:

	NRSRO RATINGS			
	Ford Credit			NRSROs
	Long-Term Senior Unsecured	Short -Term Unsecured	Outlook / Trend	Minimum Long-Term Investment Grade Rating
DBRS	BBB (low)	R-3	Positive	BBB (low)
Fitch	BBB-	F3	Positive	BBB-
Moody's	Baa3	P-3	Stable	Baa3
S&P (a)	BBB-	A-3	Stable	BBB-

(a) S&P assigns FCE Bank plc ("FCE") a long-term senior unsecured credit rating of BBB, a one-notch higher rating than Ford Credit, with a stable outlook.

Funding and Liquidity

Our primary funding and liquidity objective is to maintain a strong investment grade balance sheet with adequate liquidity to support our financing activities and growth under a variety of market conditions, including short-term and long-term market disruptions.

Our funding strategy remains focused on diversification, and we plan to continue accessing a variety of markets, channels, and investors.

Our liquidity profile continues to be diverse, robust, and focused on maintaining liquidity levels that meet our business and funding requirements. We regularly stress test our balance sheet and liquidity to ensure that we continue to meet our financial obligations through economic cycles.

Public Term Funding Plan

The following table shows our planned issuances for full-year 2015, and our global public term funding issuances through October 26, 2015, and for full-year 2014 and 2013 (in billions), excluding short-term funding programs:

	Public Term Funding Plan			
	2015		2014 Actual	2013 Actual
	Full-Year Forecast	Through October 26		
Unsecured	\$ 15-16	\$ 14	\$ 13	\$ 11
Securitizations (a)	13-15	11	15	14
Total	\$ 28-31	\$ 25	\$ 28	\$ 25

(a) Includes Rule 144A offerings.

Through October 26, 2015, we completed about \$25 billion of funding in the public term markets, consisting of about \$14 billion of unsecured debt and about \$11 billion of public asset-backed security ("ABS") debt in the United States, Canada, Europe, and China.

For 2015, we project full year public term funding in the range of \$28 billion to \$31 billion, consisting of \$15 billion to \$16 billion of unsecured debt and \$13 billion to \$15 billion of public securitizations.

Funding Portfolio

The following chart shows the trends in funding for our managed receivables:

FORD CREDIT

FUNDING STRUCTURE – MANAGED RECEIVABLES (BILS)



* The Ford Interest Advantage program consists of floating rate demand notes

** Obligations issued in securitization transactions that are payable only out of collections on the underlying securitized assets and related enhancements

*** Cash, cash equivalents, and marketable securities (excludes marketable securities related to insurance activities)

At the end of the third quarter of 2015, managed receivables were \$122 billion, and we ended the quarter with \$9 billion in cash. Securitized funding was 39% of managed receivables.

We are projecting 2015 year-end managed receivables of \$124 billion to \$127 billion and securitized funding as a percentage of managed receivables to be at about 40%. We expect this percentage to decline over time. Quarterly movements of this percentage reflect the calendarization of our funding plan.

Liquidity Sources

We define gross liquidity as cash, cash equivalents, and marketable securities (excluding marketable securities related to insurance activities) and committed capacity (which includes our credit facilities and asset-backed lines), less utilization of liquidity. Utilization of liquidity is the amount funded under our liquidity sources and also includes the cash and cash equivalents required to support securitization transactions. Securitization cash is cash held for the benefit of the securitization investors (for example, a reserve fund). Net liquidity available for use is defined as gross liquidity less certain adjustments for asset-backed capacity in excess of eligible receivables and cash related to FordREV, which can be accessed through future sales of receivables. While not included in available liquidity, these adjustments represent additional funding sources for future originations.

The following table shows our liquidity sources and utilization (in billions):

	September 30, 2015	December 31, 2014
Liquidity Sources		
Cash (a)	\$ 9.2	\$ 8.9
Committed ABS lines (b)	32.1	33.7
FCE/Other unsecured credit facilities	2.0	1.6
Ford revolving credit facility allocation	3.0	2.0
Total liquidity sources	46.3	46.2
Utilization of Liquidity		
Securitization cash (c)	(2.8)	(2.4)
Committed ABS lines	(17.5)	(15.3)
FCE/Other unsecured credit facilities	(0.3)	(0.4)
Ford revolving credit facility allocation	—	—
Total utilization of liquidity	(20.6)	(18.1)
Gross liquidity	25.7	28.1
Adjustments (d)	(0.4)	(1.6)
Net liquidity available for use	\$ 25.3	\$ 26.5

(a) Cash, cash equivalents, and marketable securities (excludes marketable securities related to insurance activities).

(b) Committed ABS lines are subject to availability of sufficient assets, ability to obtain derivatives to manage interest rate risk, and exclude FCE access to the Bank of England's Discount Window Facility.

(c) Used only to support on-balance sheet securitization transactions.

(d) Adjustments include other committed ABS lines in excess of eligible receivables and certain cash within FordREV available through future sales of receivables.

As of September 30, 2015, our liquidity remains strong at \$25.3 billion. Our sources of liquidity include cash, committed asset-backed lines, unsecured credit facilities, and the corporate revolver allocation. As of September 30, our liquidity sources including cash totaled \$46.3 billion, up about \$100 million from year-end. We are focused on maintaining a strong liquidity position to meet our business and funding requirements through economic cycles.

Cash, Cash Equivalents, and Marketable Securities. At September 30, 2015, our cash, cash equivalents, and marketable securities (excluding marketable securities related to insurance activities) totaled \$9.2 billion, compared with \$8.9 billion at year-end 2014. In the normal course of our funding activities, we may generate more proceeds than are required for our immediate funding needs. These excess amounts held primarily in highly liquid investments, which provide liquidity for our anticipated and unanticipated cash needs and give us flexibility in the use of our other funding programs. Our cash, cash equivalents, and marketable securities (excluding marketable securities related to insurance activities) primarily include U.S. Treasury obligations, federal agency securities, bank time deposits with investment-grade institutions and non-U.S. central banks, corporate investment-grade securities, A-1/P-1 (or higher) rated commercial paper, debt obligations of a select group of non-U.S. governments, non-U.S. government agencies, supranational institutions, and money market funds that carry the highest possible ratings.

The maturity of these investments ranges from about 90 days to up to about one year and is adjusted based on market conditions and liquidity needs. We monitor our cash levels and average maturity on a daily basis. Cash, cash equivalents, and marketable securities include amounts to be used only to support our securitization transactions of \$2.8 billion and \$2.4 billion at September 30, 2015 and December 31, 2014, respectively.

Committed Capacity. At September 30, 2015, our committed capacity totaled \$37.1 billion, down about \$200 million from December 31, 2014. Our committed capacity is primarily comprised of committed ABS lines from bank-sponsored commercial paper conduits and other financial institutions, unsecured credit facilities with financial institutions, and allocated commitments under Ford's revolving credit facility (as defined below).

Committed ABS Lines. We and our subsidiaries have entered into agreements with a number of bank-sponsored asset-backed commercial paper conduits and other financial institutions. Such counterparties are contractually committed, at our option, to purchase from us eligible retail or wholesale assets or to purchase or make advances under asset-backed securities backed by retail financing, operating leases, or wholesale financing assets for proceeds of up to \$32.1 billion (\$17.3 billion of retail financing, \$6.6 billion of wholesale financing, and \$8.2 billion of operating lease assets) at September 30, 2015. These committed liquidity programs have varying maturity dates, with \$13.7 billion having maturities within the next twelve months and the remaining balance having maturities through 2017. We plan capacity renewals to protect our global funding needs, optimize capacity utilization, and maintain sufficient liquidity.

Our ability to obtain funding under these programs is subject to having a sufficient amount of assets eligible for these programs as well as our ability to obtain interest rate hedging arrangements for certain securitization transactions. Our capacity in excess of eligible receivables protects us against the risk of lower than planned renewal rates. At September 30, 2015, \$17.5 billion of these commitments were in use. These programs are free of material adverse change clauses, restrictive financial covenants (for example, debt-to-equity limitations and minimum net worth requirements), and generally, credit rating triggers that could limit our ability to obtain funding. However, the unused portion of these commitments may be terminated if the performance of the underlying assets deteriorates beyond specified levels. Based on our experience and knowledge as servicer of the related assets, we do not expect any of these programs to be terminated due to such events.

Effective June 2015, FCE has pre-positioned retail receivables with the Bank of England which supports access to the Discount Window Facility. Pre-positioned assets are neither pledged to nor held as collateral by the Bank of England unless the Discount Window Facility is accessed. FCE's eligibility to access the Discount Window Facility is not reflected in the Liquidity Sources and Utilization table above.

Unsecured Credit Facilities. At September 30, 2015, we and our majority-owned subsidiaries had \$5.0 billion of contractually committed unsecured credit facilities with financial institutions, including the FCE Credit Agreement (as defined below) and the allocation under Ford's revolving credit facility (as defined below). At September 30, 2015, \$4.7 billion was available for use.

FCE's £830 million (equivalent to \$1.3 billion at September 30, 2015) syndicated credit facility (the "FCE Credit Agreement") matures in 2018. At September 30, 2015, \$1.1 billion was available for use. The FCE Credit Agreement contains certain covenants, including an obligation for FCE to maintain its ratio of regulatory capital to risk-weighted assets at no less than the applicable regulatory minimum, and for the support agreement between FCE and Ford Credit to remain in full force and effect (and enforced by FCE to ensure that its net worth is maintained at no less than \$500 million). In addition to customary payment, representation, bankruptcy, and judgment defaults, the FCE Credit Agreement contains cross-payment and cross-acceleration defaults with respect to other debt.

Lenders under Ford's Third Amended and Restated Credit Agreement dated as of April 30, 2015 ("Ford's revolving credit facility") have commitments totaling \$13.4 billion, with about 75% of the commitments maturing on April 30, 2020 and 25% of the commitments maturing on April 30, 2018. Ford has allocated \$3.0 billion of commitments, including commitments under a Chinese renminbi sub-facility, to us on an irrevocable and exclusive basis to support our growth and liquidity. At September 30, 2015, all \$3.0 billion was available for use.

Funding and Liquidity Risks

Refer to the "Funding and Liquidity" section of Item 7 of Part II of our 2014 Form 10-K Report for a list of factors that could affect our liquidity and information on our stress testing.

Leverage

We use leverage, or the debt-to-equity ratio, to make various business decisions, including evaluating and establishing pricing for finance receivable and operating lease financing, and assessing our capital structure. We refer to our shareholder's interest as equity.

The following table shows the calculation of our financial statement leverage (in billions, except for ratios):

	September 30, 2015	December 31, 2014
Total debt (a)	\$ 113.3	\$ 105.0
Equity	11.8	11.4
Financial statement leverage (to 1)	9.6	9.2

(a) Includes debt issued in securitization transactions and payable only out of collections on the underlying securitized assets and related enhancements. We hold the right to receive the excess cash flows not needed to pay the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions.

The following table shows the calculation of our managed leverage (in billions, except for ratios):

	September 30, 2015	December 31, 2014
Total debt (a)	\$ 113.3	\$ 105.0
Adjustments for cash (b)	(9.2)	(8.9)
Adjustments for derivative accounting (c)	(0.7)	(0.4)
Total adjusted debt	\$ 103.4	\$ 95.7
Equity	\$ 11.8	\$ 11.4
Adjustments for derivative accounting (c)	(0.4)	(0.4)
Total adjusted equity	\$ 11.4	\$ 11.0
Managed leverage (to 1) (d)	9.1	8.7

(a) Includes debt issued in securitization transactions and payable only out of collections on the underlying securitized assets and related enhancements. We hold the right to receive the excess cash flows not needed to pay the debt issued by, and other obligations of, the securitization entities that are parties to those securitization transactions.

(b) Cash, cash equivalents, and marketable securities (excludes marketable securities related to insurance activities).

(c) Primarily related to market valuation adjustments to derivatives due to movements in interest rates. Adjustments to debt are related to designated fair value hedges and adjustments to equity are related to retained earnings.

(d) Equals total adjusted debt over total adjusted equity.

We plan our managed leverage by considering prevailing market conditions and the risk characteristics of our business. At September 30, 2015, our managed leverage was 9.1:1, compared with 8.7:1 at December 31, 2014. For information on our planned distributions, refer to the "Outlook" section below.

Outlook

For the full year, we continue to expect pre-tax profit to be equal to or higher than 2014. We now expect year-end managed receivables of \$124 billion to \$127 billion.

We continue to expect distributions to our parent of about \$250 million this year. We expect our managed leverage to remain temporarily above our 8:1 to 9:1 target range, as a result of the translation effect of the strong U.S. dollar.

Risk Factors

Statements included or incorporated by reference herein may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on expectations, forecasts, and assumptions by our management and involve a number of risks, uncertainties, and other factors that could cause actual results to differ materially from those stated, including, without limitation:

- Decline in industry sales volume, particularly in the United States, Europe, or China, due to financial crisis, recession, geopolitical events, or other factors;
- Decline in Ford's market share or failure to achieve growth;
- Lower-than-anticipated market acceptance of Ford's new or existing products;
- Market shift away from sales of larger, more profitable vehicles beyond Ford's current planning assumption, particularly in the United States;
- An increase in or continued volatility of fuel prices, or reduced availability of fuel;
- Continued or increased price competition resulting from industry excess capacity, currency fluctuations, or other factors;
- Fluctuations in foreign currency exchange rates, commodity prices, and interest rates;
- Adverse effects resulting from economic, geopolitical, or other events;
- Economic distress of suppliers that may require Ford to provide substantial financial support or take other measures to ensure supplies of components or materials and could increase costs, affect liquidity, or cause production constraints or disruptions;
- Work stoppages at Ford or supplier facilities or other limitations on production (whether as a result of labor disputes, natural or man-made disasters, tight credit markets or other financial distress, production constraints or difficulties, or other factors);
- Single-source supply of components or materials;
- Labor or other constraints on Ford's ability to maintain competitive cost structure;
- Substantial pension and postretirement health care and life insurance liabilities impairing liquidity or financial condition;
- Worse-than-assumed economic and demographic experience for postretirement benefit plans (e.g., discount rates or investment returns);
- Restriction on use of tax attributes from tax law "ownership change;"
- The discovery of defects in vehicles resulting in delays in new model launches, recall campaigns, or increased warranty costs;
- Increased safety, emissions, fuel economy, or other regulations resulting in higher costs, cash expenditures, and/or sales restrictions;
- Unusual or significant litigation, governmental investigations, or adverse publicity arising out of alleged defects in products, perceived environmental impacts, or otherwise;
- A change in requirements under long-term supply arrangements committing Ford to purchase minimum or fixed quantities of certain parts, or to pay a minimum amount to the seller ("take-or-pay" contracts);
- Adverse effects on results from a decrease in or cessation or clawback of government incentives related to investments;
- Inherent limitations of internal controls impacting financial statements and safeguarding of assets;
- Cybersecurity risks to operational systems, security systems, or infrastructure owned by Ford, Ford Credit, or a third-party vendor or supplier;
- Failure of financial institutions to fulfill commitments under committed credit and liquidity facilities;
- Inability of Ford Credit to access debt, securitization, or derivative markets around the world at competitive rates or in sufficient amounts, due to credit rating downgrades, market volatility, market disruption, regulatory requirements, or other factors;
- Higher-than-expected credit losses, lower-than-anticipated residual values, or higher-than-expected return volumes for leased vehicles;
- Increased competition from banks, financial institutions, or other third parties seeking to increase their share of financing Ford vehicles; and
- New or increased credit, consumer, or data protection or other regulations resulting in higher costs and/or additional financing restrictions.

We cannot be certain that any expectation, forecast, or assumption made in preparing forward-looking statements will prove accurate, or that any projection will be realized. It is to be expected that there may be differences between projected and actual results. Our forward-looking statements speak only as of the date of their initial issuance, and we do not undertake any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events, or otherwise. For additional discussion, see "Item 1A. Risk Factors" in our 2014 Form 10-K Report, as updated by our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

Accounting Standards Issued But Not Yet Adopted

For information on accounting standards issued but not yet adopted, see Note 1 of our Notes to the Financial Statements.

Other Financial Information

The interim financial information included in this Quarterly Report on Form 10-Q for the periods ended September 30, 2015 and 2014 has not been audited by PricewaterhouseCoopers LLP ("PwC"). In reviewing such information, PwC has applied limited procedures in accordance with professional standards for reviews of interim financial information. Readers should restrict reliance on PwC's reports on such information accordingly. PwC is not subject to the liability provisions of Section 11 of the Securities Act of 1933 for its reports on interim financial information, because such reports do not constitute "reports" or "parts" of registration statements prepared or certified by PwC within the meaning of Sections 7 and 11 of the Securities Act of 1933.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk.

In our 2014 Form 10-K Report, we discuss in greater detail our market risk, counterparty risk, credit risk, residual risk, liquidity risk, and operating risk.

To provide a quantitative measure of the sensitivity of our pre-tax cash flow to changes in interest rates, we use interest rate scenarios that assume a hypothetical, instantaneous increase or decrease of one percentage point in all interest rates across all maturities (a "parallel shift"), as well as a base case that assumes that all interest rates remain constant at existing levels. The differences in pre-tax cash flow between these scenarios and the base case over a twelve-month period represent an estimate of the sensitivity of our pre-tax cash flow. Under this model, we estimate that at September 30, 2015, all else constant, such an increase in interest rates would decrease our pre-tax cash flow by \$31 million over the next 12 months, compared with a decrease of \$46 million at December 31, 2014. In reality, interest rate changes are rarely instantaneous or parallel and rates could move more or less than the one percentage point assumed in our analysis. As a result, the actual impact to pre-tax cash flow could be higher or lower than the results detailed above.

ITEM 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures. Bernard B. Silverstone, our Chairman of the Board and Chief Executive Officer ("CEO"), and Marion B. Harris, our Chief Financial Officer ("CFO") and Treasurer, have performed an evaluation of the Company's disclosure controls and procedures, as that term is defined in Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended ("Exchange Act"), as of September 30, 2015, and each has concluded that such disclosure controls and procedures are effective to ensure that information required to be disclosed in our periodic reports filed under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified by SEC rules and forms, and that such information is accumulated and communicated to the CEO and CFO to allow timely decisions regarding required disclosures.

Changes in Internal Control Over Financial Reporting. During the third quarter of 2015, we launched the first phase of a new securitization system for U.S. wholesale securitization transactions. In subsequent periods, the remaining phases of the securitization system will be launched.

PART II. OTHER INFORMATION

ITEM 1. *Legal Proceedings.*

Ford Motor Credit Company v. Sudesh Agrawal. On January 18, 2011, a state trial court judge in Cuyahoga County, Ohio certified a nationwide class action with an Ohio subclass in a counterclaim arising out of a collection action. Class claimants allege breach of contract, fraud, and statutory violations for Ford Credit's lease-end wear and use charges. Class claimants allege that the standard applied by Ford Credit in determining the condition of vehicles at lease-end is different than the standard set forth in claimants' leases. The Court of Appeals of Ohio, Eighth Appellate District, affirmed nationwide class certification and certification of an Ohio subclass. We appealed, and on December 17, 2013, the Supreme Court of Ohio reversed the Court of Appeals and remanded the case for further proceedings. On March 13, 2014, the Court of Appeals reversed the trial court order certifying the classes and remanded the case for further proceedings. On September 28, 2015, the trial court re-certified a nationwide class action with an Ohio subclass. We have filed an appeal.

ITEM 5. *Other Information.*

None.

ITEM 6. *Exhibits.*

Exhibits: please refer to the Exhibit Index on page 44.

Instruments defining the rights of holders of certain issues of long-term debt of Ford Credit have not been filed as exhibits to this Report because the authorized principal amount of any one of such issues does not exceed 10% of the total assets of Ford Credit. Ford Credit will furnish a copy of each such instrument to the SEC upon request.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, Ford Motor Credit Company LLC has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

FORD MOTOR CREDIT COMPANY LLC

By: /s/ Marion B. Harris
Marion B. Harris
Chief Financial Officer and Treasurer

Date: October 27, 2015

EXHIBIT INDEX

Designation	Description	Method of Filing
Exhibit 12	Calculation of Ratio of Earnings to Fixed Charges.	Filed with this Report.
Exhibit 15	Letter of PricewaterhouseCoopers LLP, dated October 27, 2015, relating to financial information.	Filed with this Report.
Exhibit 31.1	Rule 15d-14(a) Certification of CEO.	Filed with this Report.
Exhibit 31.2	Rule 15d-14(a) Certification of CFO.	Filed with this Report.
Exhibit 32.1	Section 1350 Certification of CEO.	Furnished with this Report.
Exhibit 32.2	Section 1350 Certification of CFO.	Furnished with this Report.
Exhibit 99	Items 2 - 4 of Part I and Items 1 - 2 of Part II of Ford Motor Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2015.	Incorporated herein by reference to Ford Motor Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2015. File No. 1-3950.
Exhibit 101.INS	XBRL Instance Document.	*
Exhibit 101.SCH	XBRL Taxonomy Extension Schema Document.	*
Exhibit 101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.	*
Exhibit 101.LAB	XBRL Taxonomy Extension Label Linkbase Document.	*
Exhibit 101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.	*
Exhibit 101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.	*

* Submitted electronically with this Report in accordance with the provisions of Regulation S-T.

Exhibit 12

FORD MOTOR CREDIT COMPANY LLC AND SUBSIDIARIES
CALCULATION OF RATIO OF EARNINGS TO FIXED CHARGES
(in millions)

	<u>First Nine Months 2015</u>
Earnings	
Income before income taxes	\$ 1,530
Add/(Deduct):	
Equity in net income of affiliated companies	(24)
Dividends from affiliated companies	—
Fixed charges excluding capitalized interest	1,826
Earnings	<u>\$ 3,332</u>
Fixed charges	
Interest expense	\$ 1,819
Interest portion of rental expense (a)	7
Capitalized interest	1
Total fixed charges	<u>\$ 1,827</u>
Ratios	
Ratio of earnings to fixed charges	1.8

(a) One-third of all rental expense is deemed to be interest.

October 27, 2015

Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: Ford Motor Credit Company LLC Registration Statement Nos. 333-202789 and 333-207323 on Form S-3

Commissioners:

We are aware that our report dated October 27, 2015 on our review of interim financial information of Ford Motor Credit Company LLC (the "Company") for the three-month and nine-month periods ended September 30, 2015 and 2014 and included in the Company's quarterly report on Form 10-Q for the quarter ended September 30, 2015 is incorporated by reference in the aforementioned Registration Statements.

Very truly yours,

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Detroit, Michigan

CERTIFICATION

I, Bernard B. Silverstone, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2015 of Ford Motor Credit Company LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: October 27, 2015

/s/ Bernard B. Silverstone

Bernard B. Silverstone

Chairman of the Board and Chief Executive Officer

CERTIFICATION

I, Marion B. Harris, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2015 of Ford Motor Credit Company LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: October 27, 2015

/s/ Marion B. Harris

Marion B. Harris

Chief Financial Officer and Treasurer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Bernard B. Silverstone, Chairman of the Board and Chief Executive Officer of Ford Motor Credit Company LLC (the "Company"), hereby certify pursuant to Rule 15d-14(b) of the Securities Exchange Act of 1934, as amended, and Section 1350 of Chapter 63 of Title 18 of the United States Code, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2015, to which this statement is furnished as an exhibit (the "Report"), fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 27, 2015

/s/ Bernard B. Silverstone

Bernard B. Silverstone

Chairman of the Board and Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Marion B. Harris, Chief Financial Officer and Treasurer of Ford Motor Credit Company LLC (the “Company”), hereby certify pursuant to Rule 15d-14(b) of the Securities Exchange Act of 1934, as amended, and Section 1350 of Chapter 63 of Title 18 of the United States Code, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. the Company’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2015, to which this statement is furnished as an exhibit (the “Report”), fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 27, 2015

/s/ Marion B. Harris

Marion B. Harris

Chief Financial Officer and Treasurer